

Message Text

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ACTION EA-12

INFO OCT-01 ARA-14 EUR-12 ISO-00 EB-08 COME-00 CIAE-00
INR-07 NSAE-00 DOE-12 SOE-01 TRSE-00 OMB-01 L-03
INT-05 /076 W
-----129753 230452Z /13

R 230028Z DEC 77
FM AMEMBASSY WELLINGTON
TO SECSTATE WASHDC 4635
INFO AMEMBASSY CANBERRA
AMEMBASSY LONDON
AMEMBASSY TOKYO
AMEMBASSY CARACAS
AMEMBASSY JAKARTA
AMCONSUL SYDNEY
AMCONSUL AUCKLAND BY POUCH

UNCLAS WELLINGTON 05908

E.O.11652:N/A
TAGS: EMIN, NZ
SUBJECT: NZ ALUMINUM SMELTER DISPUTE

REF: WELLINGTON 5700 (NOTAL) AND PREVIOUS

1. IN AN ANNOUNCEMENT DECEMBER 21, PRIME MINISTER MULDOON REVEALED A ROUGH OUTLINE OF THE NEW AGREEMENT COVERING SUPPLY OF ELECTRICITY TO THE ALUMINUM SMELTER AT BLUFF. IN DOING SO, HE NOTED THAT, WHILE SUCH DETAILS WOULD NORMALLY BE CONSIDERED CONFIDENTIAL COMMERCIAL INFORMATION, THE PUBLIC INTEREST IN THE MATTER JUSTIFIED THEIR RELEASE.

2. FROM JANUARY 1, THE SMELTER WILL BE PAYING NEARLY FIVE TIMES MORE FOR POWER THAN IT HAS BEEN HERETOFORE. ACCORDING TO THE ANNOUNCEMENT, THE NEW PRICING FORMULA PROVIDES FOR "ESCALATION" EVERY QUARTER, BASED HALF ON THE MOVE-
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MENT OF THE WORLD PRICE OF ALUMINUM AND HALF ON THE COST OR PRODUCING ELECTRICITY IN NEW ZEALAND. THE NEW AGREEMENT WILL RUN FOR 30 YEARS WITH AN EXTENSION BY MUTUAL AGREEMENT FOR AN ADDITIONAL FIFTEEN YEARS. THE PRICE FORMULA WILL BE REVIEWED EVERY 5 YEARS.

3. UNDER THE PREVIOUS AGREEMENT, THE SMELTER HAD RIGHTS

TO AN ADDITIONAL 180 MEGAWATTS OF POWER. THE NEW AGREE-
MENT PROVIDES THAT ADDITIONAL POWER WILL ONLY BE SUPPLIED
TO THE SMELTER AT A PRICE AND ON CONDITIONS TO BE AGREED
UPON WITH THE GOVERNMENT AT THE TIME. SELDEN

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ALUMINUM, DISPUTES
Control Number: n/a
Copy: SINGLE
Sent Date: 23-Dec-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01-Jan-1960 12:00:00 am
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977WELLIN05908
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770478-1146
Format: TEL
From: WELLINGTON
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19771219/aaaaapzr.tel
Line Count: 66
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: ba730efd-c188-dd11-92da-001cc4696bcc
Office: ACTION EA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
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Reference: 78 WELLINGTON 5700
Retention: 0
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Review Content Flags:
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Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 133351
Secure: OPEN
Status: NATIVE
Subject: NZ ALUMINUM SMELTER DISPUTE
TAGS: EMIN, NZ
To: STATE
Type: TE
vdkgvwkey: odhc://SAS/SAS.dbo.SAS_Docs/ba730efd-c188-dd11-92da-001cc4696bcc
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